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Mayor calls for ethics reform in State of City Address *Healy outlines "Citizens First Initiative" in second annual speech*

CANTON, Ohio - In his second State of the City address as Mayor of the City of Canton, Mayor William Healy announced Monday that he is asking Council to join him in the creation of a plan he calls the "Citizens First Initiative" that promises to create transparency and improve accountability in city government.

"The objective of this plan is simple but important," Healy said in his speech. "Our initiative will ensure that the political process in Canton city government will put people first and not just protect the interests of the powerful, the wealthy, or the politically connected."

Healy said the Initiative, which includes sections addressing ethics, campaign contributions, political gifts, nepotism, and personal business relationships of elected officials, is intended to remove the cloud of "good old boy" politics and backroom deals that he believes has surrounded city government for too long.

The Mayor proposed a number of specific reforms, including:

- Requiring elected officials to report business relationships and contracts that may pose a conflict of interest with City business.
- Setting limits on campaign contributions at \$500 for those who do business – or want to do business – with the city. Those who contribute more than \$500 to any city official would be ineligible for city contracts for two years.
- Reporting all political contributions from contractors wanting to do business with the City to make sure there are no city or state campaign finance, ethics, or election law violations before awarding any city contracts.
- Tracking all campaign contributions over \$500 given by Canton's elected officials, their immediate family members, and their business associates. Healy said he felt it was important for the people of Canton to know not only who is giving elected officials campaign contributions, but also who elected officials are contributing to.
- Enforcing a ban on political campaigning and the solicitation of campaign contributions on city property.
- Removing nepotism from hiring practices. Public employees should be hired based on their qualifications, not their political connections.
- Establishing a zero threshold for political gifts. Officials and city employees would no longer be able to accept anything of value from businesses that do work for the city of Canton.
- Requiring that City of Canton elected officials release their personal and business-related City of Canton tax records for public review in order to ensure public accountability and transparency in government.

Healy also called on Council to join him in mandating that public records be "prepared and maintained" for all public meetings. The Mayor said that he believes elected officials work for the public and must therefore be held accountable for their actions.

A full copy of the Mayor's address is attached to this release and is available on the City of Canton Online Press Room at www.cantonohio.gov/pressroom.

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2009 State of the City
Mayor William J. Healy II
City of Canton, Ohio – April 20, 2009

Good evening ladies and gentlemen, Mr. President and honorable members of Council. I am honored to stand before you tonight to deliver this, my second State of the City address as the Mayor of our great City. Together, we have done so many great things in such a short time, and yet, there are so many more important things left to do. Even in the face of serious challenges, our City's potential is limitless and our aspirations are high. We will continue making a difference for the people of the Hall of Fame City. I am excited about our future and I am resolved to make it better.

Before I begin, my thanks go out to Council President Allen Schulman, Majority Leader Don Casar and members of City Council for allowing me to use their chambers for this important occasion. I would also like to thank Treasurer Bob Schirack, Auditor R. A. Mallonn, and Law Director Joe Martuccio for joining us here this evening. I am honored to serve alongside you, and appreciate the hard work you do throughout the year to make sure City government operates smoothly. Again, thank you for your service and thank you for the help you have given to my administration.

I would also like to thank my Cabinet – both for joining me here this evening, and for the hard work and long hours you put in to keep our city moving forward. I could not do this without you, and I appreciate your dedication to the people of the City of Canton.

I was motivated to run for Mayor because, like many of you, I was concerned about the future of our great city. I was concerned by the rising crime; concerned about lost jobs; concerned about decaying neighborhoods; concerned about the shrinking population, and concerned that the city did not respond to the needs of its people.

I promised that my administration would vigorously fight crime; that we would work hard to attract new jobs; and that we would institute the ethical reforms required to ensure that our government works on behalf of **all our people** and **not just the privileged few**.

After being in City Hall for a little more than a year and fighting for change, I now understand the difficulties of reform. There is great resistance to change by many in our community. Some have benefited and some continue to benefit both economically and politically from the status quo. We must – and we will – do better!

I assure you that I will not be deterred by political tricks and attempts to divert my attention away from the real issues that confront our city. My resolve is strong even in a political culture that embraces personal attacks to achieve political gains **over** a process where we work together to promote the public good.

When I am faced with these political attacks, I think of the hard working people in our City who have lost their jobs, who have lost their homes, and who have lost hope. It is our fight for those people – for those in need of help and hope – that renews my spirit and sense of purpose to move our city forward no matter what the obstacles.

On a personal note, I want to thank the many citizens of our city who have blessed me with their support, kind words, and their prayers. I pledge to you tonight – your hopes and dreams for our City are not in vain,

and will not be compromised. We will continue to fight for working families and we will continue to move Canton forward.

One year ago I stood here before you and laid out an ambitious agenda for positive change. We are fighting to move that agenda forward each day. Even in these trying economic and political times, we have been able to **move our city forward** and **make things better for working families**. I will not be satisfied until the lives of **ALL** our citizens are improved.

SAFETY

Before I outline my agenda for the future, I want to acknowledge some of the significant successes that we have achieved over this past year.

The most important job of a mayor is to protect and ensure the safety of our residents. Together, we've done just that. It gives me great pleasure to report to you that – in 2008, major crime in Canton was reduced by an incredible 14% compared to the prior year. This represents the first drop in crime in over five years and the biggest one-year drop in over a decade. Canton's Finest deserve praise for their amazing work.

But we aren't done yet. We will continue to use our strategic crime-fighting programs to further rid our streets of drugs and gangs. Thanks to the efforts of the NEAR Neighborhood Association among others, we will increase our community policing efforts, as we now have a second Weed and Seed zone in the city of Canton. In addition, we also have a new program to focus on gang members that will go into effect this spring, led by distinguished former Police Captain Bruce Allison.

In addition to the programs I just mentioned, I remain determined to hire as many new police officers as it takes to keep our streets safe. We hired additional officers in 2008, and I am happy to report that with the completion of our budget I have given the order to hire up to 12 new police officers immediately. We have also applied for federal stimulus funds that could allow us to hire even more officers this year.

Another key component of community safety is the work of our fire fighters. Due to their diligence and dedication, I'm proud to report that for the first time in six years, we had no fire related deaths in the city of Canton in 2008. This is a great achievement for our men and women who put themselves in harm's way every day on the job, and I would like to congratulate them for this accomplishment.

I like to take a moment to extend my heartfelt thanks to Safety Director Tom Nesbitt, Police Chief McKimm, Fire Chief Rich and all the men and women of the police and fire departments who serve our city.

ECONOMIC DEVELOPMENT

Our country, our state, and our city are facing one of the most challenging economic times in our history, and I know that many people in Canton are hurting. Despite the state of our national economy, I am proud to say that economic development in the greater Canton area was strong in 2008. This fact has translated into retaining and attracting new jobs for our citizens.

In fact, the city's Office of Development estimates that over \$1 billion in active investments were taking place in the greater Canton area last year thanks to both new and existing companies. Also – despite recent economic declines – development projects that have faced obstacles may soon be back on track due to our tireless efforts to obtain stimulus funds.

We made positive changes to the way we invested in local businesses with our Community Improvement Corporation funds, ensuring both accountability and profitability. We are more selective in our investments, which maximizes our opportunity for the creation of new jobs and retention of existing jobs. Our improved strategy resulted in the creation of 219 new jobs and the retention of 29 jobs right here in the City of Canton last year.

On top of that, our “Economic Growth Initiative” program helped create another 120 new jobs in our city. Last but certainly not least, by partnering with the Canton Chamber of Commerce we were able to leverage city funds to create 300 new jobs here in Canton.

But job growth and economic development is not just about loan agreements and tax incentives – it’s about community. The Arts and Entertainment sector of our local economy has played a key role in the revitalization of our downtown. First Friday events continue to grow, building a sense of culture and community all the while delivering customers to our downtown businesses. The Kimono Exhibit was a tremendous success and has been hailed as one of the most impressive art shows to ever be featured at the Canton Museum of Art.

And the good news doesn’t stop there. In addition to our Hall of Fame activities this year, Canton will host the Junior World Games of American Football – where teams from seven other countries will play for the title of World Champion right here in our own Fawcett Stadium. These activities – arts, entertainment, and culture – all bring economic development dollars to our community and support jobs here in Canton.

To aid our local economy, my administration has also aggressively pursued state and federal funds since we first took office. Our tireless efforts have resulted in: \$39 Million awarded from the State’s Historic Tax Credit program, \$6 Million in Clean Ohio funds, \$3.6 Million in Neighborhood Stabilization Program funds, and more than \$28 Million in assorted Federal Stimulus projects to date.

These figures are very significant when one considers that the total of these funds – more than \$77 million dollars – is well over the \$55 million dollars that make up our annual City budget. Economic times have been difficult, but through careful planning, strong organization, and aggressive lobbying, we are obtaining the funding we need to improve Canton’s economic future. Our work is not yet done, but we are proud of what we have accomplished thus far.

Federal stimulus grants are enabling us to “go green” and move forward with the city’s first-ever comprehensive energy audit. This audit allows us to implement an action plan to cut our operational costs and reduce our carbon footprint. I am also proud to say that our curbside recycling program that was introduced last year has been a tremendous success.

NEIGHBORHOODS

Our City is only as strong as its neighborhoods. For this reason, I am pleased to report that – for the first time in recent memory – we have a comprehensive strategy to address the problems facing our neighborhoods. We are proud to have been one of the first cities in Ohio to have its Neighborhood Stabilization Plan approved by the U.S. Department of Housing and Urban Development, and we are confident that our strategy will provide city neighborhoods with the help they so desperately need.

The funds that Canton receives from the federal Neighborhood Stabilization Program will support the creation of a Housing Master Plan, which will enable us to stop the deterioration of our neighborhoods that

has been happening for far too long. We will demolish vacant houses, we will renovate houses to make them livable once again, and we will help those who are suffering due to foreclosure.

But neighborhoods are held together by more than bricks and mortar. Last summer, we began a program that gave young people summer jobs, where they could learn a skilled construction trade that could potentially be turned into a future career. The Remodeling Assistance Partnership Program took 40 young people and put them to work making physical improvements to our city's housing stock. Together with Project Rebuild, we were able to complete a successful pilot program, remodeling 5 houses in our first year. This year, we plan to expand the RAP Program to include many more students and remodel up to 15 homes this summer.

Project Rebuild is just one educational option for students in our city. Our public high schools continue to set higher standards of achievement. Canton City Schools' graduation rate has increased again this year. In addition to McKinley and Timken, other public high schools cross over into our great city, including GlenOak, Canton South, and East Canton High Schools. I am pleased to share with you that the City of Canton public high schools have the highest combined graduation rate of any other major city in Ohio.

Our students also benefit from a partnership with Stark State College for early college credit. The University of Toledo now provides a full scholarship to every Canton City school graduate with a 3.00 GPA who qualifies for the PELL grant. With our schools improving and higher education opportunities available to every student, living in Canton is becoming more and more attractive for working families with school-aged children.

The first-ever Canton Cares Food Program was another successful initiative that was launched this past February providing as much as \$100,000 in food assistance vouchers to families in need throughout the City of Canton. By working together with community organizations and a local business – we were able to help those in need by providing a helping hand during these tough economic times.

In addition to this program, I am also proud to say that we were able to give our hard-working neighborhood associations the support they deserve by awarding the Stark Community Foundation, through its Neighborhood Partnership Grant Program, a \$50,000 grant to continue their efforts to strengthen our neighborhoods. This was the largest grant ever awarded by the City of Canton to neighborhood associations, and was long overdue for a group of people who are so dedicated to making our city better. We plan to at least match that amount again this year.

CITY FINANCES

We face one of the most challenging economic times since the great depression and yet, so far we have avoided layoffs. The city's revenues are projected to fall for **three consecutive years** while our costs continue to rise. We must continue to find ways to conserve Canton taxpayer dollars and make them go farther.

In an effort to provide economic efficiency, I will pursue a number of regional partnership opportunities that will help us streamline government. Our 2009 budget is extremely tight, and we will continue to make difficult choices as the year progresses.

To maintain the maximum level of service in these unprecedented economic times, I made the decision to propose a permanent budget that would allow for a bare minimum in carryover funds to prevent laying off our city workers.

I will continue to do everything in my power to protect the taxpayers' investment in our City and maintain the highest level of services possible. We will remain vigilant and watchful, knowing that additional cuts may be necessary in the future. City government must continue to sacrifice and continue to make ends meet just like working families must do each and every day.

CANTON CITIZEN'S FIRST INITIATIVE

It is in the spirit and resolve of the working family that I present my plan for the future of the City of Canton. My administration will implement the "Canton's Citizens First Initiative."

The objective of this plan is simple but important. Our initiative will ensure that the political process in Canton city government will put people first and not just protect the interests of the powerful, the wealthy, or the politically connected. Our action plan will also apply decision making criteria that will promote policies that are in the best interests of our citizens, rather than promoting policies that benefit political friends or organized interests.

The "Canton's Citizens First Initiative" will consist of a series of reforms that will work to the benefit of average citizens.

Together, we will:

Initiate a comprehensive **ethics reform** package, which will mandate good government and ensure accountability.

Make our ends meet, just like working families, by applying **cost-benefit analyses** to decisions about public services in order to promote economic efficiency and to keep our City's check book balanced.

And finally, we will promote **transparency in government** by requiring public accountability in all of our processes.

When I ran for this office and again after I was sworn in, I made a promise to the people of this City that I would bring ethics reform to Canton. Tonight, I am delivering on that promise. On tonight's council agenda is the strongest comprehensive ethics reform in our city's history.

This ethics ordinance will ensure good government by instituting the following reforms:

Elected officials must **report business relationships** and contracts that may pose a conflict of interest. The responsibility of an elected official is to work on behalf of all our citizens, not to promote their own economic or political gains.

Set limits on campaign contributions at \$500 for those who do business – or want to do business – with the city and make those who contribute more than \$500 ineligible for city contracts for two years.

Report all political contributions from contractors wanting to do business with the City to make sure there are no city or state campaign finance, ethics, or election law violations before awarding any city contracts.

Track all campaign contributions over \$500 from Canton's elected officials, their immediate family members, and their business associates. The people of Canton should not only know who is giving our elected officials campaign contributions, but also who our elected officials are giving money to.

We will enforce the ban on **political campaigning** and the **solicitation of campaign contributions** on city property.

Nepotism will be brought to an end. Public employees must be hired based on their qualifications, not their political connections. **I pledge tonight** that I will not have any relatives of mine work for the city of Canton.

A zero threshold for political gifts. Political officials will no longer be able to accept anything of value from businesses that do work for the city of Canton. Again, **I pledge tonight**, that as Mayor, neither I nor anyone in my administration will personally accept anything of value from those who do business with our city.

My ethics plan calls for a higher standard among elected officials and City employees. I hope that Council will adopt our city's first-ever **Code of Ethics**, because it's clear to me and clear to the people of our City that we have gone far too long without one.

The next item on our Citizens First Initiative is to provide the most efficient and effective operations possible by utilizing a **Cost-Benefit** analysis when making important decisions.

Every department in the city will be evaluated to determine how we can provide the most effective services at the most efficient cost to Canton taxpayers. We will use performance audits and cost-benefit analyses to evaluate our operations so that we can make appropriate decisions in areas such as annexation, service rate increases, and purchasing.

Transparency is a critical part of earning the public's trust.

Last year, we re-invented our Web site, adding new technology and posting useful information about all of our City boards and commissions so that residents are now more easily able to find answers to their questions.

Now the time has come to bring our bidding and contract award process into the 21st century. Soon, we will post **bids** and **awards for services and contracts** on the City's Web site. The people of Canton will have full access to information regarding what bids are available, who bids on them, and who is awarded contracts with the city. This posting process promotes good government, public access, and being accountable to all the citizens of Canton.

We also hope that City Council will join us in mandating that **public records be prepared and maintained for all public meetings**. Elected officials work for the public and must be held accountable to all our citizens. Our citizens deserve to know what is happening within their city government.

Finally, we will require that City of Canton elected officials **release their personal and business-related City of Canton tax records** for public review in order to ensure accountability and transparency in government.

My plan will ensure that our city government is open, transparent, and responsive to the people we are here to serve. Some will oppose these initiatives, but those who stand against reform are likely to be the same people who benefit from – and are committed to – this culture of backroom politics. As I said before, I know reform is difficult, but I also know that this administration will not be deterred. And I want to assure our citizens that **reform is on the way**.

To the people of the City of Canton, to hard working families, to those who are fighting to keep their homes, to those who have no job --- I want you to know, that **I have not forgotten why you put me here...**

To my friends on City Council, to my fellow elected officials, to my Cabinet, to all City Employees, I ask you to join me in putting people first. I ask for your help in implementing our Canton's Citizens First Initiative and moving Canton forward.

Thank you for your attention and commitment to a better future for the city of Canton.

Good Night.